

Message Text

CONFIDENTIAL

PAGE 01 USUN N 06925 01 OF 04 200022Z

67

ACTION IO-10

INFO OCT-01 EUR-12 ISO-00 AF-06 ARA-06 EA-07 NEA-10

CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03 NSAE-00 NSC-05

PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05 COME-00 EB-07

FRB-03 TRSE-00 XMB-02 OPIC-03 CIEP-01 LAB-04 SIL-01

OMB-01 OES-03 /128 W

----- 107518

R 192328Z DEC 75

FM USMISSION USUN NEW YORK

TO SECSTATE WASHDC 5150

INFO USMISSION GENEVA

USDEL MTN GENEVA UNN

USMISSION OECD PARIS

USMISSION USEC BRUSSELS

C O N F I D E N T I A L SECTION 1 OF 4 USUN 6925

E.O. 11652: GDS

TAGS: EGEN, UNGA

SUBJECT: 30TH UNGA - WRAP-UP OF THE ACTIVITIES OF THE ECONOMIC
AND FINANCIAL COMMITTEE

1. SUMMARY: THE PRINCIPAL CONCERN OF THE U.S. DELEGATION
IN THE SECOND COMMITTEE (ECONOMIC AND FINANCIAL QUES-
TIONS) WAS TO MAINTAIN THE IMPROVED NEGOTIATING ATMOSPHERE
BETWEEN THE DEVELOPED AND DEVELOPING COUNTRIES GENERATED IN
THE SEVENTH SPECIAL SESSION AND TO DEFEND SUBSTANTIVE U.S.
POLICY INTERESTS. THE DELEGATION INITIATED OR ACTIVELY SUP-
PORTED RESOLUTIONS AIMED AT IMPLEMENTATION OF KEY DECISIONS
OF THE SPECIAL SESSION. WITH THE EXCEPTION OF THE SOCIALIST
COUNTRIES AND CHINA, MOST OTHER DELEGATIONS COMPORTED THEM-
SELVES IN WAYS WHICH INDICATED THAT THEY SHARED THIS U.S.
GOVERNMENT OBJECTIVE. A NEW PHENOMENON WAS THE EXTENT TO
WHICH THE EC-9 COUNTRIES ACTED AS A UNIT. PERHAPS COINCIDEN-
TALLY THESE COUNTRIES TOOK FEW INITIATIVES. MOST INDUSTRIALIZED
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 USUN N 06925 01 OF 04 200022Z

COUNTRIES TENDED TO VEER FURTHER TOWARD ACCOMMODATION WITH

THE DEVELOPING COUNTRIES. G-77 SOLIDARITY REMAINED IMPRESSIVE AND, AS HAS BEEN THE CASE FOR A NUMBER OF YEARS, THIS GROUP GENERATED THE VAST MAJORITY OF COMMITTEE RESOLUTIONS. THE EASTERN EUROPEANS, HAVING BEEN SHUNTED ASIDE COMPLETELY AT THE SPECIAL SESSION, CAME FORWARD WITH THREE RESOLUTIONS WHICH, WHILE NOT INHERENTLY VERY SIGNIFICANT, SERVED THE PURPOSE OF CALLING ATTENTION TO THIS BLOC. THE CHINESE CONTINUED TO FOLLOW IN SLAVISH FASHION THE G-77 LINE AND ONLY ASSERTED THEMSELVES IN INTERNECINE POLITICAL DEBATE WITH MEMBERS OF THE EAST EUROPEAN BLOC.

2. THE FACT THAT FORTY-TWO OF THE TOTAL OF FORTY-NINE RESOLUTIONS AND DECISIONS OF THE COMMITTEE WERE ADOPTED BY CONSENSUS REFLECTS THE GOOD WORKING CLIMATE AND SPIRIT OF ACCOMMODATION WHICH GENERALLY REIGNED IN THE COMMITTEE. SOME TEN OF THE TOTAL OF FORTY-THREE RESOLUTIONS ADOPTED CAN BE CONSIDERED IMPORTANT TO THE U.S. GOVERNMENT DIRECTLY OR IN BROADER CONTEXT OF OUR INTEREST IN IMPROVING INTERNATIONAL ECONOMIC COOPERATION WITHIN THE FRAMEWORK OF THE UNITED NATIONS SYSTEM. THE RESOLUTIONS WHICH HIGHLIGHTED MAJOR PROBLEMS OR ACHIEVEMENTS WERE THOSE ON FUTURE ASSESSMENT OF THE SEVENTH SPECIAL SESSION, THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, TRANSNATIONAL CORPORATIONS, SCIENCE AND TECHNOLOGY, WOMEN IN DEVELOPMENT, AND HABITAT. FULL AGREEMENT WAS NOT POSSIBLE ON THE RESOLUTION ON REVIEW AND APPRAISAL OF THE INTERNATIONAL DEVELOPMENT STRATEGY.

3. THE SECOND COMMITTEE FOR THE MOST PART WAS NOT DIRECTLY AFFECTED BY THE TUMULTUOUS ISSUES DEBATED IN OTHER GENERAL ASSEMBLY COMMITTEES. POLITICAL ISSUES WHICH DID ASSUME SIGNIFICANT PROPORTIONS WERE (A) THE NEW INTERNATIONAL ECONOMIC ORDER, (B) THE SINO-SOVIET DISPUTE, AND (C) THE ISRAELI-ARAB SITUATION.

4. DURING THE SESSION SEVERAL SIGNIFICANT PARALLEL ACTIVITIES ON ECONOMIC ISSUES TOOK PLACE OUTSIDE THE COMMITTEE. THESE WERE THE ORGANIZATIONAL MEETINGS OF THE AD HOC COMMITTEE ON RESTRUCTURING OF THE UN'S ECONOMIC AND SOCIAL ORGANIZATIONS, SEVERAL INFORMAL MEETINGS CONCERNED WITH THE UN DEVELOPMENT PROGRAM'S LIQUIDITY CRISIS, THE RESUMED 59TH ECOSOC, AND INFORMAL

CONFIDENTIAL

PAGE 03 USUN N 06925 01 OF 04 200022Z

MEETINGS, PARTICULARLY OF DEVELOPING COUNTRIES, IN PREPARATION FOR THE PARIS CONFERENCE. END SUMMARY.

5. THE ECONOMIC AND FINANCIAL COMMITTEE OF THE 30TH UNGA COMMENCED ITS WORK IMMEDIATELY FOLLOWING THE CLOSE OF THE SEVENTH SPECIAL SESSION. THE PRINCIPAL CONCERN OF THE U.S. DELEGATION WAS TO MAINTAIN AND, WHERE POSSIBLE, EXPAND ON THE IMPROVED NEGOTIATING ATMOSPHERE GENERATED BY THE SPECIAL SESSION.

WE ATTEMPTED IN THE WORDS OF THE SECRETARY TO "CARRY FORWARD THE SPIRIT OF CONCILIATION INTO THE DELIBERATIONS OF THIS REGULAR SESSION" WHILE PROTECTING U.S. SUBSTANTIVE POLICY INTERESTS. NOT ONLY DID WE WISH TO PRESERVE THE SENSE OF MEANINGFUL DIALOGUE WITHIN THE SYSTEM OF UN ECONOMIC INSTITUTIONS, WE WERE ALSO MINDFUL OF THE RISKS WHICH A DETERIORATION IN THE SECOND COMMITTEE MIGHT HAVE FOR THE TWENTY-SEVEN-NATION CONFERENCE ON INTERNATIONAL ECONOMIC COOPERATION SCHEDULED FOR MID-DECEMBER. WE ALSO ATTEMPTED WITH SOME LIMITED SUCCESS TO COMMENCE THE IMPLEMENTATION OF THE AGREEMENTS AND PROGRAMS ACHIEVED AT THE SESSION -- LARGELY BY HELPING SHAPE INITIATIVES OF OTHERS. SOME FORWARD MOTION WAS THUS ACHIEVED ON THE INTERNATIONAL DEVELOPMENT ASSOCIATION, THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, AND SCIENCE AND TECHNOLOGY. FURTHERMORE, A CONSIDERABLE NUMBER OF THE DELEGATION'S STATEMENTS IN THE SECOND COMMITTEE WERE DESIGNED TO ENCOURAGE IMPLEMENTATION OF RESOLUTION 3362 OF SEPTEMBER 16, 1975, IN GENERAL TERMS AND TO ADVANCE CERTAIN "PRINCIPLES". THESE STATEMENTS ALSO CONTAINED OUR IDEAS AS TO THE NATURE OF THE POLITICALLY IMPORTANT BUT SUBSTANTIALLY LIMITED ROLE OF THE GENERAL ASSEMBLY AND EXPLICIT REFERENCES TO WORK IN PROGRESS IN OTHER FORUMS. THUS, A MAJOR EFFORT WAS MADE TO DEFINE THE ROLE OF THE GA AND TO DISCOURAGE THE WIDELY HELD NOTION THAT THE GENERAL ASSEMBLY SHOULD BE INVOLVED IN EVERYTHING AT ALL TIMES.

6. MOST DEVELOPING COUNTRY DELEGATIONS APPEARED TO SHARE OUR GOVERNMENT'S VIEW THAT THE SEVENTH SPECIAL SESSION RESULTS REPRESENT A SALUTARY TURNING POINT IN DC/LDC RELATIONSHIPS AND THROUGH THEIR INITIATIVES SIGNALLED THEIR WISH TO PERPETUATE THAT CLIMATE. THERE WERE PROBLEMS, HOWEVER. DEVELOPING COUNTRY REPRESENTATIVES FREQUENTLY REGRESSED TO THE OLD RHETORIC AND THUS FRUSTRATED OR COMPLICATED ORDERLY DEBATE AND PROGRESS TOWARD IMPLEMENTATION OF AGREED PRINCIPLES AND PROGRAMS OF ACTION.

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 USUN N 06925 01 OF 04 200022Z

THEY PERSIST IN ATTRIBUTING A TOO-LARGE FUNCTION TO THE GENERAL ASSEMBLY. PARTICULARLY TROUBLESOME TO US WAS REPEATED G-77 ESPOUSAL OF VIEWS THAT (1) THE SPECIAL SESSION IN FACT REPRESENTED PARTIAL AGREEMENT TO IMPLEMENT THE SIXTH SPECIAL SESSION RESOLUTIONS -- THE DECLARATION AND PROGRAM OF ACTION ON THE NEW INTERNATIONAL ECONOMIC ORDER AND THE CHARTER OF ECONOMIC RIGHTS AND DUTIES OF STATES, AND (2) THE GENERAL ASSEMBLY IS THE POLICY MAKING BODY OF THE WHOLE RANGE OF MULTILATERAL ECONOMIC FORA INCLUDING THOSE NOT EVEN REMOTELY ASSOCIATED WITH THE UNITED NATIONS FAMILY.

7. THERE WERE, HOWEVER, DELEGATIONS NOT DEVOTED TO PERPETUATING THE SEVENTH SPECIAL SESSION AGREEMENTS. THE WESTERN EUROPEAN COUNTRIES, WHICH BY THEIR NUMBER OF INTERVENTIONS DOMINATED THE TWO-WEEK-LONG GENERAL DEBATE, IN THE COMMITTEE FOCUSED PRACTICALLY ALL THEIR ATTENTION ON THE SEVENTH SPECIAL SESSION AGREEMENTS.

TICALLY EXCLUSIVELY ON THE "PROGRESSIVE" (DIVISIVE) RESULTS OF THE SIXTH SPECIAL SESSION AND OF THE CERDS AND, THUS, BY INFERENCE DOWNGRADED THE SEVENTH SPECIAL SESSION AGREEMENTS. THE CHINESE POSITION WAS SIMILAR BUT WITH VARIATIONS FOLLOWING FROM THEIR DOCTRINAIRE OPPOSITION TO THE CONCEPT OF ECONOMIC INTERDEPENDENCE.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 USUN N 06925 02 OF 04 200053Z

67

ACTION IO-10

INFO OCT-01 ISO-00 AF-06 ARA-06 EA-07 EUR-12 NEA-10

CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03 NSAE-00 NSC-05

PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05 COME-00 EB-07

FRB-03 TRSE-00 XMB-02 OPIC-03 CIEP-01 LAB-04 SIL-01

OMB-01 OES-03 /128 W

----- 107768

R 192328Z DEC 75

FM USMISSION USUN NEW YORK

TO SECSTATE WASHDC 5151

INFO USMISSION GENEVA

USDEL MTN GENEVA UNN

USMISSION OECD PARIS

USMISSION USEC BRUSSELS

C O N F I D E N T I A L SECTION 2 OF 4 USUN 6925

8. CLEARLY, HOWEVER, THE VAST MAJORITY OF THE DELEGATIONS UTILIZED THE NINETY WORKING DAYS TO PROBE THE PARAMETERS OF THE AGREEMENTS OF THE SEVENTH SPECIAL SESSION. THE MORE RADICAL DELEGATIONS FREQUENTLY, BUT WITHOUT JUSTIFICATION, SUGGESTED THAT THE DEVELOPED COUNTRIES AND PARTICULARLY THE U.S. WERE SOMEHOW WELCHING ON THEIR "COMMITMENTS" ASSUMED AT THE SPECIAL SESSION. THIS TYPICALLY INVOLVED NEGOTIATIONS ON RESOLUTION LANGUAGE, TAKEN OUT OF THE CONTEXT OF RESOLUTION 3362 (SS-VII) AND SOMETIMES REWORDED IN SUBTLE WAYS AND SUBSEQUENTLY SANDWICHED INTO A PRELIMINARY DRAFT RESOLUTION. IN THESE SITUATIONS U.S. DELEGATION'S EFFORTS TO PRESERVE THE LANGUAGE AND THE SPIRIT OF THE SPECIAL SESSION WERE SOMETIMES MALICIOUSLY

VIEWED AS REGRESSIVE. THIS REPETITIOUS AND TIRESOME TACTIC OF THE DEVELOPING COUNTRIES WILL BE RECOGNIZED BY ALL READERS. IN ALMOST ALL CASES, AND IN ALL OF THE CASES INVOLVING SIGNIFICANT RESOLUTIONS, THE LDC PROPENSITY TO DISTORT THE SHAPE OF THE PARAMETER OF AGREEMENTS WAS UNSUCCESSFULLY FRUSTRATED WITHOUT UNDUE ACRIMONY.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 USUN N 06925 02 OF 04 200053Z

9. SIXTEEN AGENDA ITEMS WERE ASSIGNED TO THE SECOND COMMITTEE AND COVERED A WIDE BUT LARGELY TRADITIONAL RANGE OF ECONOMIC ACTIVITIES. THE ONLY ENTIRELY NEW AGENDA ITEM DEALT WITH THE IMPLEMENTATION OF THE SEVENTH SPECIAL SESSION RESOLUTION. THE COMMITTEE CONSIDERED A TOTAL OF FORTY-SEVEN RESOLUTIONS AND APPROVED FORTY-TWO (TWO U.S. DRAFT RESOLUTIONS WERE MERGED WITH OTHER TEXTS, AND ACTION ON TWO RESOLUTIONS WAS DEFERRED). OF THE FORTY-THREE RESOLUTION, THE U.S. WAS ABLE TO JOIN IN CONSENSUS APPROVAL OF THIRTY-SEVEN, VOTED AGAINST THREE (PERMANENT SOVEREIGNTY IN OCCUPIED ARAB TERRITORIES, CHARTER OF ECONOMIC RIGHTS AND DUTIES OF STATES, AND TRANSFER OF REAL RESOURCES), AND ABSTAINED ON THREE (LONG-TERM TRENDS OF WORLD REGIONS, MID-TERM REVIEW AND APPRAISAL, AND FUND FOR LAND-LOCKED COUNTRIES). THE U.S. JOINED IN CONSENSUS APPROVAL OF SIX COMMITTEE DECISIONS.

10. MANY OF THE RESOLUTIONS COVERED MATTERS SUCH AS PREPARATIONS FOR FORTHCOMING UN CONFERENCES (EMPLOYMENT, DESERTIFICATION, WATER, AND HABITAT) OR REPORTS OF SUBSIDIARY BODIES (TRADE AND DEVELOPMENT BOARD, UNITAR, UNICEF, UNEP, UN UNIVERSITY, UNDRO, THE AD HOC COMMITTEE ON RESTRUCTURING). THERE WERE ALSO THE SOVIET BLOC INITIATIVES (LONG-TERM TRENDS IN WORLD REGIONS, UNIFIED APPROACH, AND THE ROLE OF THE PUBLIC SECTOR). ONLY ONE RESOLUTION, THAT DEALING WITH PERMANENT SOVEREIGNTY IN ARAB OCCUPIED TERRITORIES, CAN BE CONSIDERED AS STRICTLY POLITICAL. AND ALTHOUGH ALWAYS AN ELEMENT IN THE NEGOTIATIONS, OUR PROBLEMS IN DEALING WITH THE NEW INTERNATIONAL ECONOMIC ORDER AND THE CHARTER OF ECONOMIC RIGHTS AND DUTIES OF STATES WERE ESSENTIALLY MANAGEABLE WITH ONLY THE MEXICAN DRAFT ON CERDS PROVING TO BE ABSOLUTELY NON-NEGOTIABLE.

11. THE FOLLOWING HIGHLIGHTS WHAT WE CONSIDER TO HAVE BEEN MAJOR PROBLEMS AND/OR ACHIEVEMENTS:

(A) TRANSNATIONAL CORPORATIONS: WE WERE ABLE BOTH TO INJECT A SENSE OF BALANCE (I.E. CONDEMNING NOT ONLY TNC'S BUT ALSO ALL PARTIES TO CORRUPT PRACTICES) AND TO DEFLECT THE G-77 SPONSORS FROM THEIR ORIGINAL INSISTENCE THAT HOME GOVERNMENTS SHOULD ENACT EXTRATERRITORIAL LEGISLATION. THE FINAL RESOLUTION BASICALLY CALLS FOR COOPERATION BETWEEN HOME AND HOST

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 USUN N 06925 02 OF 04 200053Z

GOVERNMENTS IN THIS FIELD AND ASKS THE COMMISSION ON TRANSNATIONAL CORPORATIONS TO STUDY THE MATTER.

(B) CONFERENCE ON INTERNATIONAL ECONOMIC COOPERATION: THE ORIGINAL EFFORT TO ORGANICALLY LINK THE CIEC TO THE UN, THE GA IN PARTICULAR, WAS TRANSFORMED INTO A MUCH LOOSER FORMULATION WHICH GOES LITTLE FURTHER THAN PERMITTING THE GA TO BE INFORMED ON PROGRESS AT CIEC.

(C) INTERNATIONAL ECONOMIC DEVELOPMENT LAW: THIS PHILIPPINE INITIATIVE DESIGNED TO CODIFY THE NIEO AND CERDS WAS ORIGINALLY INTRODUCED INTO AND REJECTED BY THE SIXTH COMMITTEE. INTERESTINGLY, THE INITIATIVE FAILED TO GAIN ANY SUPPORT AMONG THE G-77 AND, IN FACT, EVOKED THE ACTIVE OPPOSITION OF MEXICO. THE FINAL DECISION -- TO CONSIDER THE PROPOSAL AT THE 31ST UNGA IN THE SIXTH COMMITTEE -- WAS SIMPLY A FACE-SAVING DEVICE.

(D) UNITED NATIONS ENVIRONMENT PROGRAMME: WE WERE ABLE TO FIND ACCEPTABLE WORDING FOR REFERENCES TO THE NIEO AND CERDS AND, PERHAPS MORE IMPORTANT, RE-ESTABLISH THE ROLE OF THE GOVERNING COUNCIL IN DIRECTING THE ACTIVITIES OF UNEP.

(E) HABITAT: THE BASICALLY PROCEDURAL CANADIAN RESOLUTION BECAME COMPLICATED BY THE INTRODUCTION OF PLO-ISRAELI POLITICAL ISSUES, THE THREAT OF A POSSIBLE ARAB MOVE TO EXCLUDE ISRAEL FROM THE CONFERENCE WAS AVOIDED; HOWEVER, THE FINAL RESOLUTION NOT ONLY INVITES THE PLO BUT ALSO PROVIDES FINANCIAL ASSISTANCE FOR TRAVEL, PER DIEM, AND PREPARATION OF MATERIALS. WE COORDINATED OUR ACTIONS CLOSELY WITH OUR ISRAELI COLLEAGUE, OPPOSED THE EGYPTIAN AMENDMENT GRANTING FINANCIAL ASSISTANCE, BUT ACCEPTED THE FINAL RESOLUTION WITHOUT VOTE. (ISRAEL "DID NOT PARTICIPATE" IN THE VOTE ON THE RESOLUTION.)

(F) MID-TERM REVIEW AND APPRAISAL: OUR ORIGINAL HOPE WAS THAT THIS WOULD NOT BE DEALT WITH IN ANY SUBSTANTIVE WAY AT THIS SESSION, SINCE MOST OF THE ITEMS INVOLVED HAD BEEN SUBJECT OF CONSIDERATION AT THE SEVENTH SPECIAL SESSION. UNFORTUNATELY, THIS DID NOT PROVE TO BE THE CASE, AND LINE-BY-LINE NEGOTIATIONS OF A G-77 DRAFT TOOK UP A GREAT DEAL OF TIME IN THE CLOSING MONTH. WHILE CONSIDERABLE PROGRESS WAS MADE IN TONING DOWN THE G-77 PROPOSAL, IT WAS NOT POSSIBLE TO REACH AGREEABLE

CONFIDENTIAL

PAGE 04 USUN N 06925 02 OF 04 200053Z

WORDING ON SEVERAL KEY PROPOSALS. INTERESTINGLY, THE EC-9 PLAYED A MAJOR ROLE IN THE INFORMAL NEGOTIATIONS AND TOOK BASI-

CALLY A HARD LINE; HOWEVER, REFLECTING A GENERAL TREND, IT PROVED INCREASINGLY DIFFICULT TO GET THEM TO JOIN US IN ABSTAINING (OR VOTING AGAINST) THE FINAL RESOLUTION. THE NEGOTIATED TEXT ALSO PROVOKED A SHARP ARGUMENT WITHIN THE G-77 WITH THE RADICALS ARGUING THAT SINCE IT WAS NOT POSSIBLE TO GET A CONSENSUS TEXT, THEY SHOULD GO BACK TO THEIR ORIGINAL DRAFT AND NOT "COMPROMISE" ANY PRINCIPLES. THE MODERATE MAJORITY PREVAILED IN THIS INSTANCE. USUN REPORTING ON THIS ITEM IS CONTAINED IN USUN 6823, 6799, 6832, AND 6903.

(G) FUND FOR LAND-LOCKED COUNTRIES: THIS RESOLUTION WAS APPROVED OVER THE OBJECTION OF ALMOST ALL POTENTIAL DONOR COUNTRIES, THE U.S. INCLUDED. EVEN THE SOVIET BLOC MADE IT CLEAR THAT ALTHOUGH SUPPORTING THE RESOLUTION, THEY DID NOT ANTICIPATE MAKING A "VOLUNTARY" CONTRIBUTION. IT SEEMS MORE THAN LIKELY THAT THE FUND SIMPLY WILL NOT GET OFF THE GROUND.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 USUN N 06925 03 OF 04 200132Z

67

ACTION IO-10

INFO OCT-01 EUR-12 ISO-00 AF-06 ARA-06 EA-07 NEA-10

CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03 NSAE-00 NSC-05

PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05 COME-00 EB-07

FRB-03 TRSE-00 XMB-02 OPIC-03 CIEP-01 LAB-04 SIL-01

OMB-01 OES-03 /128 W

----- 108193

R 192328Z DEC 75

FM USMISSION USUN NEW YORK

TO SECSTATE WASHDC 5152

INFO USMISSION GENEVA

USDEL MTN GENEVA UNN

USMISSION OECD PARIS

USMISSION USEC BRUSSELS

C O N F I D E N T I A L SECTION 3 OF 4 USUN 6925

(H) TRANSFER OF TECHNOLOGY: THE FINAL RESOLUTION MARRIES TWO DIFFERENT APPROACHES TO THIS QUESTION: A G-77 PRO-

POSAL TO ESTABLISH A TECHNOLOGY BANK UNDER THE AEGIS OF UNIDO AND A U.S. PROPOSAL FOR AN EXPERTS GROUP TO INVENTORY EXISTING ARRANGEMENTS AND TO PROPOSE A TECHNOLOGY TRANSFER FACILITY. THE FINAL RESOLUTION EXPLICITLY PLACES THE UNIDO BANK WITHIN THE CONTEXT OF A GLOBAL STRUCTURE AND CALLS UPON THE SECRETARY GENERAL TO STUDY AND MAKE PROPOSALS ON THE FACILITY. WE CONSIDER SUCH AN APPROACH AN ESSENTIAL ELEMENT IN IMPLEMENTING SECRETARY KISSINGER'S COMMITMENT AT THE SEVENTH SPECIAL SESSION TO MOVE AHEAD IN THE FIELD OF TECHNOLOGY TRANSFER.

(I) INTERGOVERNMENTAL COMMITTEE ON INTERNATIONAL TRADE: THIS BRAZILIAN INITIATIVE ANNOUNCED AT THE SEVENTH SPECIAL SESSION IS DESIGNED TO LEAD TO A GATT-LIKE AGREEMENT GOVERNING TRADE BETWEEN DEVELOPING AND DEVELOPED COUNTRIES. ALTHOUGH ACTION ON THE PROPOSAL WAS SUCCESSFULLY DEFERRED, THE BRAZILIANS ARE LIKELY TO KEEP PUSHING IT, PROBABLY AT UNCTAD IV AND SUBSEQUENT GENERAL ASSEMBLIES.

CONFIDENTIAL

PAGE 02 USUN N 06925 03 OF 04 200132Z

(J) INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD): THE COMMITTEE ADOPTED A WORLD FOOD COUNCIL RESOLUTION CREATING IFAD AS A SPECIALIZED AGENCY. THE GROUP OF INTERESTED COUNTRIES HOPEFULLY WILL APPROVE TERMS OF REFERENCE AND ARTICLES OF AGREEMENT FOR THE NEW AGENCY IN JANUARY. A PREPARATORY COMMITTEE AND PLENIPOTENTIARY CONFERENCE WILL MEET IN THE SPRING OF 1976 TO REVIEW AND RATIFY THE ARTICLES OF AGREEMENT.

12. THE DYNAMICS OF THE SECOND COMMITTEE IN RECENT YEARS HAS BEEN AFFECTED MORE AND MORE BY THE TENDENCY OF DELEGATIONS TO SPEAK, REACT, AND NEGOTIATE AS MEMBERS OF BLOCS. THIS PROPENSITY HAS BEEN ESPECIALLY NOTICEABLE AS REGARDS THE DEVELOPING COUNTRIES ACING WITHIN THE FRAMEWORK OF EITHER THE GROUP OF 77 OR AS MEMBERS OF THE NON-ALIGNED GROUP. MORE RECENTLY, THE EUROPEAN ECONOMIC COMMUNITY HAS ACTED INCREASINGLY AS ONE UNIT IN NEGOTIATING AND VOTING SITUATIONS. THERE ARE ALSO A FULL RANGE OF GROUPS ORGANIZED ALONG GEOGRAPHIC LINES. IN ADDITION, LESS FORMALIZED GROUPS, SUCH AS THAT OF "LIKE-MINDED STATES" GET TOGETHER FROM TIME TO TIME. THE FACT THAT THESE GROUPS, AS WELL AS THE OLDER BLOC OF EASTERN EUROPEAN COUNTRIES ATTEMPT AND FREQUENTLY SUCCEED IN SPEAKING WITH ONE VOICE IN COMMITTEE DEBATES HAS A VERY SIGNIFICANT BEARING ON THE ROLE OF THE U.S. DELEGATION.

13. AT THIS SESSION THAT MOST SIGNIFICANT FACTOR WAS THE ENHANCED EC-9 SOLIDARITY. APPROXIMATELY 90 PERCENT OF THE TIME THE COMMUNITY SPOKE WITH ONE VOICE AND TOOK UNIFIED POSITIONS ON RESOLUTIONS. THE FACT THAT THE INDIVIDUAL NATIONS OF THE COMMUNITY OFTEN BELIED THE CONSONANCE OF POSITIONS IN

THEIR EXPLANATIONS OF VOTE OR IN INTERPRETIVE REMARKS DID NOT ESSENTIALLY DETRACT FROM THE FORCE AND EFFECT OF THEIR COMMON STANCE. FOR THE U.S. DELEGATION, THE EFFECT OF EC-9 SOLIDARITY HAD MIXED RESULTS. AS A UNIT THE EC-9 CONTINUES TYPICALLY TO REACT TO SITUATIONS RATHER THAN TO ACT AS INITIATORS. THIS MAY SAY SOMETHING ABOUT THEIR VIEW OF THE GA. MOST CERTAINLY, IT IS A REFLECTION OF THE VAST AMOUNTS OF ENERGY OF THE MEMBER STATES INVEST IN REACHING AGREEMENT ON COMMON POSITIONS, LEAVING LITTLE TIME OR INCLINATION TO INITIATE. THE EC-9 THUS LOOKS TO

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 USUN N 06925 03 OF 04 200132Z

THE U.S. DELEGATION IN SITUATIONS WHERE INITIATIVES APPEAR DESIRABLE AND ARE GENERALLY DISPOSED TO FOLLOW OUR LEAD. IN OTHER CIRCUMSTANCES, THE EC-9 APPEARS TO SHARE OUR DESIRE THAT THE U.S. AND THE EC-9 ACT TOGETHER. WHEN THE EC-9 AS A GROUP ARE UNABLE TO FOLLOW OUR LEAD OR BRING US AROUND TO THEIR POSITION, THE STRAINS CREATED WITHIN THE EC-9 FREQUENTLY FIND EXPRESSION IN A DIVISION WITHIN THE COMMUNITY, EVEN IN VOTING SITUATIONS. THE REVIEW AND APPRAISAL EXERCISE WAS THE BEST EXAMPLE OF THIS SITUATION AT THIS SESSION. THE UPSHOT OF THIS SITUATION IS THAT THE EC-9 IS VERY SENSITIVE TO THE NEED FOR CLEAR AND TIMELY GUIDANCE FROM THE U.S. DELEGATION REGARDING U.S. GOVERNMENT POSITIONS.

14. G-77 SOLIDARITY IN THE COURSE OF THE SESSION REMAINED IMPRESSIVE AND IN SOME WAYS EVEN ADVANCED. FOR EXAMPLE, APPROXIMATELY ONE DOZEN OF THE TOTAL NUMBER OF RESOLUTIONS CONSIDERED BY THE COMMITTEE WERE SPONSORED BY THE GROUP AS A WHOLE RATHER THAN BY INDIVIDUAL LDC DELEGATIONS. THE CAST OF ACTIVE CHARACTERS WITHIN THE GROUP CHANGED SOMEWHAT, ESPECIALLY ACTIVE DELEGATIONS WITHIN THE GROUP WERE THOSE OF INDIA, PAKISTAN, IRAN, UPPER VOLTA, YUGOSLAVIA, AND MEXICO. PREVIOUSLY ACTIVE DELEGATIONS, SUCH AS THOSE OF BRAZIL, THE PHILIPPINES, MALAYSIA, AND THE ALGERIANS PLAYED LESS ACTIVE ROLES THIS YEAR. AS USUAL, THE DEVELOPING COUNTRIES AS A GROUP SPAWNED BY FAR THE LARGEST NUMBER OF DRAFT RESOLUTIONS. IN FACT, ASIDE FROM THREE RESOLUTIONS DRAFT BY THE EASTERN EUROPEAN COUNTRIES, ANOTHER THREE DRAFTED BY THE U.S. DELEGATION, AND A PAIR BY THE NORDICS, THE LDC'S DRAFTED AND FLOOR-MANAGED ALL OF THE RESOLUTIONS. THIS SITUATION HAS MANY UNFORTUNATE REPERCUSSIONS. THERE ARE TOO MANY RESOLUTIONS. THE DELEGATIONS NOT HAVING A HAND IN THE DRAFTING ARE FREQUENTLY PUT IN AN ADVERSARY POSITION. THE ACTIVISTS OR INITIATORS ARE IN A BETTER POSITION TO MANIPULATE BOTH THE BUREAU OF THE COMMITTEE AND THE SECRETARIAT FORCES.

14. IT IS BY NOW A TIRESOME OBSERVATION THAT THE EASTERN EUROPEANS AND CHINESE DO NOT PLAY A CONSTRUCTIVE ROLE IN THE SECOND COMMITTEE. THIS DERIVES FROM A NUMBER OF FACTORS. THE SOVIETS DO NOT WISH TO BECOME INVOLVED IN AN ACTIVE WAY IN ASSUMING THE RESPONSIBILITIES OF MULTILATERAL ECONOMIC DIPLOMACY. NEITHER

THE PROVOCATIONS OF THE DEVELOPED COUNTRIES NOR THE URGING
OF THE INDUSTRIALIZED DEMOCRACIES IN THIS RESPECT SEEM TO
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 USUN N 06925 03 OF 04 200132Z

HAVE ANY EFFECT ON THE ULTRA-CONSERVATIVE AND THE ESSENTIALLY
ISOLATIONIST POLICIES OF THE EASTERN EUROPEANS. THEY DO, HOW-
EVER, TAKE AN ACTIVE PART IN COMMITTEE PROCEEDINGS AND NEGOTIA-
TIONS AND APPARENTLY DERIVE A GOOD DEAL OF SATISFACTION FROM
THE PROPAGANDA POINTS THEY CAN MAKE IN EGGING ON THE LDC'S IN
THE LATTER'S ATTACKS ON ESTABLISHED INTERNATIONAL ECONOMIC AR-
RANGEMENTS AND THE PROCLIVITY OF LDC'S AT THIS TIME TO FAVOR
A VAST ROLE FOR THE STATE APPARATUS IN ECONOMIC DEVELOPMENT.
THEIR OTHER PREOCCUPATION IN COMMITTEE HAS BEEN WITH DEFENDING
THE SOCIALIST FAITH FROM CHINESE CHARGES OF HERESY. THE CHINESE
PARTICIPATION WAS LIMITED TO LAUNCHING CHARGES OF HERESY OR DE-
FENDING THE MAOIST LINE AGAINST SOVIET ATTACK WHILE PAYING IN-
DISCRIMINATE LIP SERVICE TO ALL LDC "DEMANDS". ALTHOUGH THE
SINO-SOVIET ANTICS INTERFERE WITH THE BUSINESS-LIKE ATMOSPHERE
OF THE COMMITTEE, THE EFFECT IS NOT ALTOGETHER DETRIMENTAL FROM
THE U.S. GOVERNMENT POINT OF VIEW. LDC REPRESENTATIVES TEND
TO BE IRRITATED WITH THE TIME-CONSUMING POLEMICS AND VIEW THEM
AS A THINLY VEILED COVER FOR THE CENTRAL LACK OF INTEREST OF
THESE NATIONS IN THE SUBSTANCE OF THE COMMITTEE'S WORK.

15. THE BUREAU OF THE SECOND COMMITTEE WAS COMPOSED OF A
CHAIRMAN, PERMANENT REPRESENTATIVE RYDBECK OF SWEDEN, TWO VICE
CHAIRMEN DRAWN FROM THE THIRD WORLD COUNTRIES OF BOLIVIA AND
EGYPT, AND FINALLY A RAPPORTEUR FROM BANGLADESH. THE POWER OF
THE BUREAU RESIDES ESSENTIALLY IN THE SECOND COMMITTEE TRADI-
TION THAT THE VICE CHAIRMEN PRESIDE OVER THE GROUPS NEGOTIA-
TING RESOLUTIONS. THE FACT THAT THE TWO VICE CHAIRMEN OF THE
COMMITTEE THIS YEAR WERE LAMENTABLY WEAK EXECUTIVES, WHILE AT
THE SAME TIME BEING ACTIVE PROPAGATORS OF THE THIRD WORLD PO-
SITION ON ECONOMIC ISSUES, PRESENTED A DIFFICULT PROBLEM FOR
DEVELOPED COUNTRY REPRESENTATIVES. CHAIRMAN RYDBECK WAS NOT
NOTICEABLY HELPFUL IN ASSISTING DEVELOPED COUNTRY REPRESENTA-
TIVES IN THEIR ATTEMPTS TO STRIKE A BALANCE. IT IS IMPORTANT
TO REALIZE THAT UNLIKE OTHER COMMITTEES OF THE GENERAL ASSEMBLY,
THE SECOND COMMITTEE ACTUALLY NEGOTIATES RESOLUTIONS. AT THIS
SESSION FORTY RESOLUTIONS WERE SUBMITTED TO THE PROCESS OF NEGOTIA-
TION UNDER THE CHAIRMANSHIP OF ONE OR ANOTHER OF THE VICE
PRESIDENTS. THIS TRADITION HAS GROWN UP BECAUSE CONSENSUS ON
RESOLUTIONS IS DEEMED IMPORTANT, AND NEGOTIATIONS IN THE COMMIT-
TEE OF THE WHOLE ARE IMPRACTICAL. INsofar AS THE GENERAL ASSEM-
BLY WORKS EFFECTIVELY, IT DOES SO BY VIRTUE OF INFORMALLY REDUC-
CONFIDENTIAL

CONFIDENTIAL

PAGE 05 USUN N 06925 03 OF 04 200132Z

ING THE NUMBER OF DELEGATIONS ACTIVELY INVOLVED IN NEGOTIATIONS. TYPICALLY, THE NEGOTIATING GROUPS ARE COMPOSED OF NOT MORE THAN TEN PARTICIPATING DELEGATIONS. AT THE CRUNCH, EVEN THAT NUMBER IS REDUCED.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 USUN N 06925 04 OF 04 200146Z

67

ACTION IO-10

INFO OCT-01 EUR-12 ISO-00 AF-06 ARA-06 EA-07 NEA-10

CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03 NSAE-00 NSC-05

PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05 COME-00 EB-07

FRB-03 TRSE-00 XMB-02 OPIC-03 CIEP-01 LAB-04 SIL-01

OMB-01 OES-03 /128 W

----- 108506

R 192328Z DEC 75

FM USMISSION USUN NEW YORK

TO SECSTATE WASHDC 5153

INFO USMISSION GENEVA

USDEL MTN GENEVA UNN

USMISSION OECD PARIS

USMISSION USEC BRUSSELS

C O N F I D E N T I A L SECTION 4 OF 4 USUN 6925

16. THE COMMITTEE PROCEEDINGS WERE REMARKABLY FREE FROM ECHOES OF THE TUMULTUOUS DEBATES GOING ON IN OTHER COMMITTEES OF THE ASSEMBLY. FOR EXAMPLE, THE THIRD COMMITTEE'S DISCUSSION AND DECISION OF ZIONISM AS RACISM WAS INJECTED INTO ONLY ONE OF THE COMMITTEE'S RESOLUTIONS. THE ISSUE WAS REFERRED TO IN DEBATE ON ONLY TWO OR THREE OCCASIONS. INsofar AS THE COMMITTEE PRESERVED SOME DISCIPLINE IN AVOIDING THE TEMPTATION OF BECOMING EMBROILED IN TANGENTIAL DISCUSSION, THIS WAS A GOOD THING. AT THE SAME TIME, THE ISOLATION OF THE SECOND COMMITTEE FROM ACTIVITIES IN THE THIRD AND FIFTH COMMITTEES WAS ON AN OCCASION UNFORTUNATE. IT IS A TRUISM THAT THE ECONOMIC COMMITTEE, ESSENTIALLY A COMMITTEE OF POLICIES AND PROGRAMS, PAYS LITTLE HEED TO BUDGETARY ASPECTS OF THOSE PRO-

GRAMS. AS A CONSEQUENCE, THE ADVANTAGES OF THE PROGRAM BUDGET SYSTEM OF THE UNITED NATIONS ARE NOT UNIFORMLY REALIZED. LIKEWISE, IT IS ABSURD THAT THE SECOND COMMITTEE DEALT WITH TWO RESOLUTIONS HAVING TO DO WITH THE ROLE OF WOMEN IN DEVELOPMENT WITH LITTLE OR NO REFERENCE TO THE FACT THAT THE THIRD COMMITTEE

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 USUN N 06925 04 OF 04 200146Z

WAS GRAPPLING SIMULTANEOUSLY WITH THE MAIN BODY OF LITERATURE AND SUBSTANCE ON THE ROLE OF WOMEN IN SOCIETY. THE TWO POLITICAL ISSUES WHICH DID PENETRATE THE SECOND COMMITTEE, AND WERE IN FACT COMMON POINTS OF CONTENTION IN ALL COMMITTEES OF THE ASSEMBLY, WERE THE SINO-SOVIET DISPUTE AND THE MIDDLE EAST SITUATION. LITTLE TIME WAS LOST IN DEBATE ON THE LAST ISSUE, BUT THE COMMITTEE DID DEAL WITH THREE RESOLUTIONS BEARING ON IT IN UNCONSTRUCTIVE FASHION.

17. THE SCHEDULE OF MEETINGS OF MULTILATERAL ECONOMIC FORUMS HAS BECOME SO CROWDED THE YEAR ROUND THAT MEETINGS OF GENERAL ASSEMBLY OR ECOSOC SUB-BODIES ARE SCHEDULED NOT DURING THE REGULAR GENERAL ASSEMBLY. IN THE COURSE OF THE THIRTIETH GENERAL ASSEMBLY AND RUNNING SIMULTANEOUSLY WITH THE SECOND COMMITTEE A NUMBER OF ADDITIONAL MEETINGS DREW DOWN ON THE TIME AND ENERGY OF DELEGATES TO THE SECOND COMMITTEE. THE MOST IMPORTANT OF THESE PARALLEL MEETINGS WERE THOSE HAVING TO DO WITH THE RESTRUCTURING OF THE UNITED NATIONS' ECONOMIC AND SOCIAL FAMILY OF INSTITUTIONS. THE AD HOC COMMITTEE ON RESTRUCTURING MET ON AND OFF OVER A PERIOD OF TWO WEEKS. THE FACT THAT THE COMMITTEE PRODUCED VERY LITTLE EXCEPT A SCHEDULE OF FUTURE MEETINGS CAN BE ATTRIBUTED AT LEAST IN PART TO THE FACT THAT DELEGATES WERE PREOCCUPIED WITH SECOND COMMITTEE ACTIVITIES. THE 59TH RESUMED ECOSOC ALSO MET IN BRIEF SESSION, ACTING MERELY AS A POSTBOX FOR REPORTS SUBSEQUENTLY FORWARDED TO THE GENERAL ASSEMBLY. PERHAPS MOST IMPORTANTLY, A SERIES OF INFORMAL MEETINGS HAVING TO DO WITH THE FINANCIAL CRISIS OF THE UNITED NATIONS DEVELOPMENT PROGRAMME TOOK PLACE. THESE MEETINGS WERE OF GREAT IMPORTANCE TO THE U.S. GOVERNMENT, SINCE THEY WERE DESIGNED TO HEAD OFF AN ACRIMONIOUS OPEN DEBATE ON THE CAUSES OF THE CRISIS, A DEBATE WHICH SURELY WOULD HAVE IMPLICATED IN UGLY FASHION THE ADMINISTRATOR OF UNDP, A U.S. NATIONAL, AND MORE GENERALLY QUESTIONED THE ROLE OF MAJOR DONORS SUCH AS THE U.S. AN OPEN DEBATE IN THE COMMITTEE OR IN AN EXTRAORDINARY SESSION OF THE UNDP GOVERNING COUNCIL WOULD, IN ADDITION, HAVE BEEN AN EXCEEDINGLY DISTASTEFUL PRELUDE TO THE ASSUMPTION OF BRADFORD MORSE TO THE POST OF ADMINISTRATOR. ADDING GREATLY TO THE BURDEN OF THIRD WORLD COUNTRY REPRESENTATIVES TO THE SECOND COMMITTEE WERE A SERIES OF MEETINGS AND CONSULTATIONS IN PREPARATION FOR THE PARIS CONFERENCE. LONG NEGOTIATIONS TOOK PLACE CONCERNING THE NUMBER OF DEVELOPING COUNTRY PARTI-

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 USUN N 06925 04 OF 04 200146Z

CIPANTS IN THAT CONFERENCE AND ON SELECTING THOSE PARTICIPANTS.
IT IS QUITE EVIDENT THAT THERE WOULD BE A CHANCE THAT THE QUALITY
OF THE WORK OF THE SECOND COMMITTEE COULD BE ENHANCED IF DELE-
GATES WERE NOT CALLED UPON TO PARTICIPATE IN ALL MANNER OF
EXTRACURRICULAR ACTIVITY SUCH AS THOSE DESCRIBED ABOVE.
MOYNIHAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, ECONOMIC CONDITIONS, COMMITTEE MEETINGS, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 DEC 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975USUNN06925
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750442-0480
From: USUN NEW YORK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751226/aaaaawls.tel
Line Count: 665
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 13
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 03 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 APR 2003 by ShawDG>; APPROVED <04 NOV 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: 30TH UNGA - WRAP-UP OF THE ACTIVITIES OF THE ECONOMIC AND FINANCIAL COMMITTEE
TAGS: EGEN, EFIN, UNGA
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006